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Minutes

Faculty Senate

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Faculty Senate

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FACULTY SENATE MINUTES FOR December 3, 2013

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Note: These minutes are not a complete verbatim transcript of the Senate meeting.

- I. Call to Order by Chair Grant Sterling at 2:02pm (Booth Library, Room 4440)** Present: T. Bruns, J. Conwell, M. Dao, J. Ludlow, A. Methven, M. Mulvaney, J. Ochwa-Echel, J. Oliver, K. Padmaraju, J. Robertson, A. Rosenstein, S. Scher, G. Sterling, K. English.

Guests: Bill Weber (Business Affairs), Mary Herrington Perry (Academic Affairs) Bonnie Irwin (CAH), Bob Martin (Advancement), Derrick Johnson (DEN Staff Reporter)

II. Approval of Minutes of 12 November, 2013

Minutes from the November 12, 2013 meeting were approved. Motion made by Senator Conwell and seconded by Senator Ludlow.

III. Announcements

No announcements were made.

IV. Communications

- a. Minutes from the 11/7/13 CAA meeting – No action needed.
- b. Agenda for the 11/14/13 CAA meeting – No action needed.
- c. Cancellation of the 11/21/13 CAA Meeting – No action needed.
- d. Updated list of members of University elected councils – No action needed.
- e. Report for the November BOT meeting – No action needed.
- f. CIUS Pension Resolution Draft – No action needed.
- g. EIU Pension Resolution Draft – Draft distributed by Senator Robertson. Senate notified that another university has recently passed a similar resolution, adding up to four universities that have passed a resolution on Pension Reform. Senator Robertson noted that changes had been made to the resolution based on email feedback received, except for the spending part that was left intact. The resolution shown below was unanimously approved after Senator Oliver made a motion seconded by Senator Scher. Senator Scher commended Senators Robertson and Bruns for drafting the resolution in such a timely manner.

Pensions, Accountability, and Comprehensive Tax Reform – A Resolution
Faculty Senate
Eastern Illinois University

The current fiscal crisis in the state of Illinois has been in development for decades and is the direct result of the lack of accountability in the management of state funds. This crisis, falsely tagged a “pension crisis,” is not a result of spending, pensions or benefits. It is the result of the use of pension funds to cover shortfalls in revenue, shortfalls that have been caused by, and *will continue to be caused by*, an unfair tax system that burdens average Illinois taxpayers.

The bipartisan Center for Tax and Budget Accountability, which bases its analysis on database-driven facts, has demonstrated that the fiscal crisis faced by Illinois is the result of lack of revenue, not spending. In real terms (accounting for population growth and inflation), the state is now actually spending 23% *less* on education, health care, public services, and safety than in 2000. This evisceration of public spending has resulted in lost jobs in the private sector, negatively impacting consumer spending (which accounts for 70% of economic activity in the state), and causing Illinois to face much weaker economic growth coming out of the recession than neighboring states that have fairer tax systems and more revenue. The fiscal crisis in the state is a structural deficit that is entirely related to inadequate revenue.

Some are calling for the unconstitutional elimination or reduction of pension benefits due to state employees to counteract the accumulated shortfalls in revenue. State employees have contributed to their pensions in good faith, pensions that employees rely on entirely for security in retirement as we do not contribute to or receive Social Security. Beyond the constitutional, ethical, and legal problems with attempting to “solve” the fiscal crisis on the backs of state employees, there is also the fact that current “solutions” being floated in the legislature do not actually solve the problem. Proposals such as SB 1 do nothing to prevent further abuses of the pension fund by the legislature. They also do not address the real problem of the lack of revenue due to an unfair tax structure.

We, as state employees, have made an irrevocable commitment to our retirement benefit plans and it is unconstitutional to diminish and impair those benefits. Amongst the heated dialog concerning the proper course of action to resolve these issues, we have seen only one credible proposed resolution that truly addresses, in a responsible way, the long term financing issues that our state is facing. We strongly support the adoption of the “Fair Tax” (House Joint Resolution Constitutional Amendment - HJRCA0033) that has been proposed by Representative Naomi Jakobsson as it would constitutionally resolve the long term fiscal crises in revenue and accountability. Once those issues are fairly resolved then a responsible dialog could take place concerning the separate issue of pensions; however, these are two fundamentally different issues that have been conflated into one, and the state must seek to responsibly resolve its fiscal issues before opening a dialog about pensions.

h. Comments from Jennifer Stringfellow, re: EIU Pension Resolution – No action needed.

V. Presentation to the Senate – Bill Weber, Program Analysis

Dr. Weber started the presentation by giving a background about the need to conduct a program analysis. The need was identified during strategic planning and as the financial situation of the university has been increasingly getting worse. The cash flow this year is still very low – to date, we have received 6 ½ million dollars only out of the \$44 million dollars allocation though we are already getting halfway through the year. One of the goals of the strategic planning was to do more with scholarship programs. Between all these, declining

enrollments, reduction in state funding and revamping of the scholarship programs, the outlook is not very good. The difference on the revenue side from FY 12 through FY 15 is about 10 million dollars which is not sustainable. Last year President Perry developed an ad-hoc committee to develop a template for program analysis. Thanks to people in CATS and Business planning offices, the programs for data collection have been developed and set-up. In Fall 2013, programs have been submitting the narratives online and this will be presented to CUPB soon.

Soon, a public website for program analysis is going to be launched, maybe even this week. CUPB is meeting 2 times this month and we are providing CUPB with budget projections and also sharing for initial review, the draft of the process and timeline for program analysis. He hopes that in the second meeting of the month, CUPB will recommend the approval of the process and time-table and a target for how much we need to save, how much do we need to change how we do business, essentially a fiscal target. The program analysis is meant to be a long-term review, meant to sustain the fiscal health of the institution and to be implemented over the next few years. He reiterated that President Perry, other Vice-Presidents and he were committed to a transparent process.

Senator Scher noted that the impression from President Perry's recent letter was that some programs may be eliminated rather than reduced. Dr. Weber replied that that was certainly a possibility but there were other options being considered such as consolidation, merging etc. Senator Bruns asked: When we invested more in scholarships, have we looked at how much we are getting back. Dr. Weber replied in the affirmative saying that such an analysis is being done. For example, taking into account scholarships etc., if we add 123 students, we add a total of \$1 million to the revenue side. We are projecting that we will have the same number of freshmen coming in this year as last year. There is a lot of competition and it doesn't help that Illinois High school students' numbers have gone down by 5%. Senator Rosenstein enquired if collateral damages were being considered if programs are eliminated such as reduction of Unit A faculty etc. She further asked if there were a list of things that were considered to not be touched upon. Dr. Weber replied that there was no such list per se. We are committed to providing affordable excellent education. When we compare how we use our appropriated funds to other institutions, we are using most of the funds for instructional purposes and we are administratively leaner. With this process, he hopes that we will come out stronger towards fulfilling the university mission. Senator Rosenstein mentioned that she just wanted to make sure that we are not cutting down on things that will impact other good things happening here at EIU. Dr. Weber replied that indeed we are much interconnected and it is hard to pull out anything and not see an impact on many other places.

Senator Conwell asked if the primary input from faculty in this process was through CUPB. Dr. Weber replied in the affirmative but added that he was willing to do the budget presentation to any entity. Senator Conwell asked if CUPB was taking a more advisory role or more. Dr. Weber replied that CUPB as it exists is an advisory group to the President. Senator Conwell further enquired that if a decision was made to eliminate a program; would that go through the Program Elimination Review committee? Dr. Weber said that it would certainly be brought to the committee but the final decision may not go exactly as they recommend. For instance one thing that strikes me is the amount of money we spend on physical operations – almost \$44 million and that is exactly what we get from the State. More and more students are off-campus students who do not avail much of the on-campus resources. So we have to look at how we can do this differently.

Senator Oliver noted that Dr. Weber had used a phrase, “administratively lean,” but from the faculty perspective, we are “administratively bloated.” Could he explain why he used that phrase? Dr. Weber replied that when we look at numbers, Eastern spends a large portion of appropriated funds for instructional purposes. He gets requests for positions from one of our offices, he looks into sister institutions and almost always Eastern has less number of employees than other institutions. For example in Payroll, we have 4, Western has 5. Senator Oliver mentioned that Western had 40 to 50 % more enrollment than us but Dr. Mary Herrington-Perry noted that they were not that high compared to us, their numbers were at 12, 403 for Fall 2012. Dr. Weber mentioned that in the Business division, throughout the last four years, we have been trimming down. In ITS also, we have trimmed down. When he inherited the Planning division too, he consolidated a Director’s position. Mr. Paul McCann’s business office has also been slimming down. He mentioned that we have to improve the Honors college infrastructure but we have not been setting any new capital reserves. We are only funding physical projects in Physical Sciences and Life Sciences buildings. The stream is being used to fund the new Science building. What was reported in DEN about the cost of the new science building being \$ 30 million is inaccurate; the cost is close to \$ 120-130 million. In Business Affairs, we have had a track record of shrinking our numbers. University wide, our staff head count is also down by 5 %.

Senator Oliver mentioned the previous week’s announcement about faculty positions that were being cut and he hoped that the cuts were across the board and not only on the Faculty side. Dr. Weber replied that each year, PBIR (Planning, Budget and Institutional Research) comes out with numbers about staff numbers in each area. He shared the link that was available online - <http://castle.eiu.edu/planning/>

University Employees - Fall 2012

	Full-Time	Part-Time
Administration	24	0
Other Professional	284	10
Civil Service	797	78
Faculty (includes chairs)	586	134
Total	1,691	222

University Employees – Fall 2011

	Full-Time	Part-Time
Administration	21	0
Other Professional	286	14
Civil Service	802	67
Faculty (includes chairs)	599	142
Total	1,708	223

Senator Conwell noted that the administration numbers had gone up. Dr. Weber replied that Administration is narrowly defined, President, Vice Presidents, Associate Vice-Presidents, Deans. He mentioned that 2013 data should be available soon.

Senator Dao noted that it was always commendable that we can reduce costs. And he commented that in response to the comment about administrative bloat, if we look at other institutions that are also bloated, we would look good. Anyway, his main question was that he wanted to know how sensitive student enrollment was to tuition costs. Dr. Weber replied to the first comment saying that when we look at other Illinois institutions, we are pretty comparable and when we look at national data, all the numbers are comparable except in the number of Civil service employees. Illinois institutions seem to be much heavier there and there is a significant difference and added that program analysis is an inward analysis. In response to how price sensitive students are in choosing an institution; the Noel-Levitz did an analysis of this and the Provost's team would be able to provide more detail in that area. Senator Dao clarified that he was looking at the impact of raising or lowering the tuition. Dr. Weber replied that there was asymmetry there – in this climate raising tuitions is going to attract legislative attention which we do not want. Overall, Illinois institutions have higher tuition costs than neighboring states.

Senator Conwell enquired about the impact of performance-based funding. Dr. Weber replied that while performance-based funding bill did get passed and has been a part of the funding for the two years now but this funding is only when new allocations are being made. IBHE has therefore chosen to do these very carefully using formulas they have set up. Three institutions rate high based on performance: North Eastern, Governor State and Eastern Illinois University. Senator Conwell asked what kind of formula was used to which Dr. Weber replied that there were a number of factors that were considered, some of them being graduation rate, student demographics, etc. Senator Scher asked if we enrolled 1000 minority students and graduate 900 as compared to Governor State that enrolls 5000 minority students and graduates only 2500, then do we benefit based on this funding. Dr. Weber mentioned that the formula is very complex and that he was on the Performance-based Funding Refinement Committee which continued to have discussions about the formulas set up by IBHE since each institution has a different formula (weights on different pieces on the formula are different for each institution). He said he could find out more and bring it back to the Senate at a later date. He noted thought that the performance-based funding was a small percentage of appropriations. From what he was hearing, these will change as of next year. IBHE has decided to do a fairly aggressive funding request next year asking for a return to 2009 levels which means a \$ 3-4 million more for us.

Senator Robertson mentioned that Arts and Humanities has been asked to cut 12 positions as per an excerpt he read somewhere. He added that he had never seen any potential funding cuts in athletics. He pleaded that there was already a crisis in Arts and Humanities and this needs to be considered. While he was happy that we are having a successful football season, he hopes that the cuts will be across the board and not only in selected areas. Dr. Weber said he couldn't disagree with Senator Robertson and added that in terms of program analysis, every dollar was on the table including the athletic dollars. One part we do need to consider are the non-appropriated funds, where they come from. Monies come from ticket sales, both in games and arts, student fees etc. One restriction with non-appropriated funds (somewhat unique to Illinois) though is that of cross-subsidization. We are not allowed to subsidize different entities from a particular fee. If we collect parking fees, we have to use those monies in Parking only. My colleagues from other states are shocked at this but the state law currently prohibits us from doing that. So if we cut some athletic programs that are funded by student fee money then we cannot reallocate that money to some other area. Legislative Audit Commission sets very tight guidelines also on how much monies can be carried over to the next fiscal year. The excess monies lapse. Dr.

Weber concluded by mentioning that one of the things he was lobbying for was that we need to consider a thorough review of student fees.

VI. Old Business

A. Committee Reports

1. Executive Committee – No report
2. Nominations Committee – No report
3. Elections Committee – An email was received by the committee from Dr. VanGunten regarding a correction to the committees list. She noted that she had been unable to serve on the UPC in Spring 2014 and Dr. Mildred Pearson was replacing her. She added that she had notified Dr. Pearson that she was not to review CEPS Portfolios. Her term was to expire after Spring 2014.
4. Faculty-Student Relations Committee – No report
5. Faculty-Staff Relations Committee – No report
6. Awards Committee – No report
7. Faculty Forum Committee – No report
8. Budget Transparency Committee – No report
9. Other Reports
 - a. Provost's Report - No report

B. Other Old Business - None

VII. New Business

- A. Future Agenda: Spring 2014 Meeting Dates – January 14; January 28; February 11; February 25; March 18; April 1; April 15; April 29
- B. Other New Business – None

VIII. Adjournment: The Senate adjourned at 3:20 pm for Senators to attend faculty forum on "Diversity at EIU."